

Your guide to buying a home



The Law Society

Getting advice

Buying a home is always an exciting prospect, but without the help of a solicitor it can also be a legal minefield. Your solicitor is qualified in all areas of property law and is there to help you avoid potential problems and to protect your interests at every step, from making an offer to getting the keys to the door.

This is a guide to the services you can expect from your solicitor when buying a home.

Finding a solicitor

Ideally you should contact your solicitor as soon as you think about buying a home. If you do not already have a solicitor, visit our website at www.lawsociety.org.uk/findasolicitor and search under 'Conveyancing residential' to get details of solicitors in your area. Or you can call 0870 606 2555.

Costs

Charges can vary between solicitors and will depend on the type and difficulty of the sale. Before you decide who to use, check with a few firms of solicitors to compare their fees. You should bear in mind that you may have to pay more for a more experienced solicitor, so the cheapest quote is not always your best option. Remember that you will also need to pay a variety of other expenses such as stamp duty, VAT and other search fees.

What your solicitor will need from you

Once you have chosen a solicitor, they will ask you for a variety of details and documents. These could include:

- some personal identification;
- the price of the property;
- a copy of the home information pack for the property;
- any factors that may influence the exact time you want to buy the property (for example: to coincide with school holidays); and
- how you are planning to pay for the property.

They will also need to know whether:

- you have applied for a mortgage;
- you plan to carry out work on the property;
- you are buying with someone else;
- the seller is buying another property; and
- you have a property to sell.

Home information packs (HIPs)

The seller (or their estate agent) must provide a home information pack (HIP) when they put their home on the market. The HIP will contain a number of legal documents and other documents about the home. These include documents that give details about who owns the home and a plan that shows the boundary between the owner's home and their neighbours' homes.

The HIP includes details of the 'leasehold' if there is one (if you buy a leasehold home you only own it for a fixed length of time - usually 99 or 125 years). It will also include local searches and drainage searches which give information on local land charges (payments you might have to make to local authorities or the Government), planning decisions and proposals for building new roads.

However, what is included in a HIP depends on the home. For example, not all homes will have a leasehold document. Your solicitor will be able to give you more advice.

If a home was already on the market before HIPs were needed, the seller has several months before they must provide a HIP. Your solicitor or estate agent can give you advice about this.

Contacting the seller's solicitor

Once you have chosen a solicitor, your solicitor will contact the seller's solicitor, who will give your solicitor a draft contract and any other items they have asked for. A form listing the fittings and contents which will be included when you buy the property will either be given to your solicitor at this stage or it will have been included in a HIP. You will need to check this list carefully.

Searches

Your solicitor will make various searches, including enquiries with the local authority. These can help to reveal any planning issues affecting the property, such as road improvements and details of any planning permission granted on the property. Your solicitor may also carry out flooding, mining and contaminated-land searches if necessary. If any of these searches show matters of concern, your solicitor will let you know. The HIP should contain the searches.

Leasehold properties

If the property is leasehold (particularly common when buying a flat), there will be detailed lease terms and conditions. Your solicitor will need to check these carefully and will also make enquiries with the seller's solicitor or the managing agents of the property about what service charges and management costs you will have to pay. These items should be in the HIP.

Survey advice

If you are applying for a mortgage, your mortgage lender will need an independent valuation of the property. Usually they will appoint their own surveyor to do this, but you will have to pay for it. Remember that this is a valuation and not a survey.

You should consider appointing your own surveyor (possibly the same person as the valuer) to carry out a survey on the property as it is up to you to satisfy yourself that the property is structurally sound before you buy it. If the survey reveals that building work is needed, you should tell your solicitor as this may allow you to renegotiate the price.

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Mortgage deed and terms

Your mortgage lender will also need a mortgage deed. You should read the mortgage deed, offer letter and mortgage conditions very carefully. Your solicitor will explain them to you.

Signing the contract

Your solicitor will then report back to you on all the investigations he or she has made for you so far. If you are still happy to go ahead, your solicitor will finalise the terms of the contract and explain it to you. You then need to sign the contract and provide the deposit money - usually between 5% and 10% of the purchase price.

Exchanging contracts

This is the crucial moment of the agreement between you and the seller. Your solicitor and the seller's solicitor exchange contracts so that you have the contract the seller has signed and the seller has the contract you have signed. If you want to withdraw from buying the property after this stage, you may have to pay financial penalties. The solicitors will also set the date for completing the sale at this stage.

Final balance

Between exchanging contracts and completion, your solicitor will take the mortgage money from your lender and the rest of the money from you. This will include costs, VAT, Land Registry fees and stamp duty (if any). At this stage your solicitor will carry out final searches and make arrangements with the seller's solicitor for paying off any existing mortgages on the property. Your solicitor will also prepare the transfer deed and send it to the seller's solicitor for signing.

Completion

This is the final stage in the conveyancing process when your solicitor hands over the money to the seller and the keys are released to you. Your solicitor will pay the stamp duty and Land Registry fees for you and register your ownership at the Land Registry. This registers the interest of your mortgage lender and records you as the new legal owner of the property.

Related legal matters

Buying a property may introduce other related legal matters. For example:

- if you are buying a home with someone you are not married to, you may need to enter into a 'deed of trust' to set out what share of the property each person owns;

- if you do not have a will, you should consider making one; and
 - if you do have a will, you may need to update it.
- In all cases your solicitor can offer you legal advice as part of a complete professional service.

More information

This is one of a series of leaflets covering the most common types of legal services which solicitors provide. Other leaflets in the series are listed below. You can get them from your solicitor or by phoning the Law Society on 0870 3333 084.

Your guide to renting out your property

Your guide to renting a home

Your guide to making a will

Your guide to getting a divorce

Your guide to problems at work

Your guide to setting up in business

Your guide to making a personal injury claim

Your guide to financial matters for the elderly

Your guide to setting up home with your partner

Your guide to using a solicitor

Your guide to probate

Your guide to claiming asylum

You can get this leaflet in large print, in Braille, on audio tape and on CD. If you need one of these versions, please contact us by e-mail at accessibility@lawsociety.org.uk or phone 0870 606 2555.

You can also get this leaflet in different languages. You can get these by visiting our website, www.lawsociety.org.uk.

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